

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DONALD J. AND) APPEAL NO. 07-A-2655
PAMELA K. SANDA from the decision of the Board of) FINAL DECISION AND
Equalization of Valley County for the tax year 2007.) ORDER
)

RESIDENTIAL PROPERTY APPEAL

NOTICE OF APPEAL was filed September 5, 2007, by Appellants, from a decision of the Valley County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RPM03980010140A. As a matter of convenience, Appellants requested that this appeal be heard on the written record of evidence and argument presented, without appearance at a hearing. This Board subsequently requested that all information and evidence to be considered be submitted by both parties. The Board now issues its decision based upon the documentary record.

The issue on appeal is the market value of a residential property.

The decision of the Valley Board of Equalization is reversed.

FINDINGS OF FACT

The assessed land value is \$123,520, and the improvements' value is \$261,360, totaling \$384,880. Appellants request the total market value be reduced to \$358,000.

The subject property is a 2,324 square foot home with an attached garage and carport. The lot is 0.259 acres located in the Woodland subdivision in McCall, Idaho.

Appellants stated that the assessed value of subject increased more than \$120,000 between tax year 2006 and 2007.

Taxpayers submitted information on three sold properties and four listings to compare to subject. As of July 2007 there were four properties for sale in the Woodland area. Two of the residences had three bedrooms, two baths, and two car garages. One was listed for \$340,000

and the other for \$367,000. Another property included a four bedroom, two bath residence with a two car garage, listed for \$380,000. The last property included a four bedroom, two bath residence with a three car garage and an RV pad with hookups listed for \$399,500. All but one of the listing prices was lower than subject's assessed value, and the highest listing price included a residence with more square footage than subject.

The four listings included sites of approximately 0.3 acres while the improvements ranged from 1401 to 1600 square feet in size. Appellants assert subject should be valued at \$358,000.

The three sale properties ranged from 0.37 to 0.55 acre in site size and all had improvements that were approximately 1601 to 1800 square feet. The properties ranged in sale price from \$275,000 to \$350,000. Appellants stated that the average price for homes sold in the Woodland area in 2007 was approximately \$340,000.

In the fall of 2006 Taxpayers placed subject on the market, but were unable to sell it.

The Assessor stated that the properties submitted by Taxpayers as comparable could not be considered for the 2007 assessed value under appeal. The sales took place in 2007 and 2008, and were not available on the January 1, 2007 lien date. The Assessor pointed out the sales would be considered for the 2008 assessments. The listings were not applicable as actual sales were included in the assessment and sales analysis to determine the next year's assessed values. The Assessor explained that furthermore, not all homes within the Woodlands subdivision were comparable to one another because they vary in grade, from average, average+, good, good+, and very good. Subject is a good grade home, and therefore only good grade homes should be considered comparable.

The County submitted five sale properties to support the assessed value of subject. The homes were all good grade, in average condition and smaller in square footage than subject.

They ranged in sale price from \$310,000 to \$395,000. The sale prices were compared to their assessed values which indicated an assessment level or ratio of 103%, within the requirements of market value.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following conclusions.

Idaho is a market value state for property tax purposes. Idaho Code § 63-201(10) provides the requisite definition:

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Property not expressly exempt is valued at its current market value as of January 1 in the given tax year. Recent, proximate sales of comparable property are considered good evidence of value.

The County pointed out that Appellant's sales took place in 2007 and 2008. They would not have taken place prior to the assessment lien date.

The County submitted 2005 and 2006 sales to support the level of assessment and assessed value of subject.

After consideration of the most current, 2006 sales, included in the record, the Board is convinced a reduction in assessed value is warranted. One of the sale prices exceeds the assessed value of subject, and the other two sales are substantially less, we are convinced

subject is over assessed.

Therefore, the Board finds Appellants have proven their case and the decision of the Valley County Board of Equalization is reversed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, reversed lowering the assessed value to \$358,000.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellants.

MAILED April 3, 2008